operation of unsanctioned posts by State Government, etc The matter is under discussion between the State Government and Railways concerned

(b) The outstanding amount payable to Government of Maharashtra as on 31-03-2003 and 31-3-2004 was Rs 25 21 crore and Rs.39 52 crore respectively However out of Rs 39 52 crore outstanding on 31-03-04, payment of Rs 14 60 crore has already been made and the outstanding amount as on date is Rs 24 92 crore only

(c) and (d) Railways have standing instructions to pay all clearly admissible bills

Decline in Ship breaking Industry

†1929 SHRI RAJ MOHINDER SINGH
DR MURLI MANOHAR JOSHI

Will the Minister of STEEL be pleased to state

(a) whether it is a fact that the ships which become unfit for operation are broken as scrap in the country,

(b) whether it is also a fact that two years back India was on top position in the world in this business,

(c) whether it has now slipped to the third position,

(d) if not, Government's reaction thereto,

(e) the reasons for continuous decline of this industry,

(f) the names of the countries which are ahead of India in this industry?

THE MINISTER OF STEEL (SHRI RAM VILAS PASWAN) (a) to (c) Yes, Sir

(d) Does not arise in view of (a) to (c) above

(e) The main reasons for decline of this industry in the country are the following -

i) The prices of old ships for demolition in the world market have gone up whereas prices of steel scrap have not risen to the same extent in India,

† Original notice of the Question was received in Hindi

ii) Due to recovery of the global economy and rise in the freight rates, it is more economical to ply ships than to demolish them;

iii) Increase in custome duty imposed on ships imported for scrapping in 2002-03 from 5% to 15% whereas the main competitor countries like Bangladesh and Pakistan have reduced duty on old ships for scrapping and China has a system of giving subsidy on ship breaking.

iv) Ship breaking industry has competition from the semis produced by the integrated steel plants and the ingots produced by the induction furnaces

(f) In the current calendar year, Bangladesh at No.1 position and China at No. 2 position are ahead of India in this industry

Constitution of a Committee to Study increasing steel prices

†1930. DR. MURLI MANOHAR JOSHI
SHRI RAM JETHMALANI

Will the Minister of STEEL peased to state;

(a) whether Government have constituted a committee which will study constantly increasing prices of steel in the country and submit its report,

(b) the details of the members of the said committee and by when the committee has been asked to submit its report, and

(c) the reasons for nominating above members in the committee?

THE MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) No committee has been constituted by the Government to specifically study the rise in steel prices. However, an Expert Working Group has been set up by the Ministry of Statistics and Programme Implementation to develop a Generic Trigger Mechanism to deal with price rise or fall of bulk construction materials and to evolve a contractual provision to reduce the incidence of time and cost overruns in the construction projects. A High Powered Price Monitoring Board is also functioning under the Department of Consumer affairs to monitor the price of important commodities

(b) and (c) Do not arise in view of (a) above.

† Original notice of the Question was received in Hindi